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C O N F I D E N T I A L LA PAZ 002262

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TAGS: [PGOV](#) [PREL](#) [ASEC](#) [KDEM](#) [BL](#)  
SUBJECT: BOLIVIA: AGREEMENT (AND SIEGE) "CLOSE"

Classified By: EcoPol Chief Mike Hammer for reasons 1.4 b,d

¶1. (C) Summary: Thousands of protesters are converging on the congress, marching from the south through the residential areas and from El Alto with President Evo Morales leading the main column that originally gathered in Oruro almost a week ago. A one-day strike has been called in El Alto, schools were closed by the government, and public employees have been ordered to participate (neighborhood organizations in El Alto are fining members if they do not march.) The Embassy is on minimal staffing because of the possibility of large protests near the Chancery. Diplomats inside the congress (acting as international observers of the negotiations) report that both the opposition and the government have made concessions on their demands and an agreement may be close. So far, there are no reports of violence. End summary.

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Evo and Friends on the March  
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¶2. (C) Press reports indicate that the march is larger than previously expected, with Movement Toward Socialism (MAS) supporters from the south of the city marching through the residential areas to join with marchers descending from El Alto. President Evo Morales is heading the march from El Alto down to congress, although his doctors recommended 48 hours of rest due to exhaustion and headaches on October 19. Some protesters who have already reached the main plaza outside of congress have begun setting up chairs and bleachers, calling for an unprecedented "outdoor congress" so that members of congress can "answer to the people." Opposition members of congress are denying the possibility of this outdoor congress for security reasons. So far, there are no reports of violence, although such large numbers of demonstrators milling throughout La Paz is cause for concern.

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Compromise Close in Congress?  
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¶3. (C) On October 17, the Brazilian Embassy told us that the government was considering some meaningful compromises on the

MAS draft constitution's text in order to get the votes they needed to pass legislation calling for a constitutional referendum in early 2009. Among the compromises the Brazilians reported were: counting Evo's first term so that he would only have one additional five-year period if reelected, and modifying article 411 of the draft MAS constitution so that a two-thirds majority in congress would still be needed to make changes to the constitution (the draft currently requires only a simple majority in one house to modify the constitution.) The Brazilians suggested that the government was determined to get legislation for a constitutional referendum and would try to buy or coerce votes, negotiate, or simply block out the opposition to get its way.

14. (C) On October 20, the British Ambassador, in congress as an observer to the negotiations, reported that the opposition and government quite suddenly got "much closer to an agreement" (only an hour earlier, the British were reporting that talks had failed.) Whereas earlier the opposition had been holding out for a delay on national elections until 2010 (hoping that Evo's popularity would fall as the economy suffers over the next year), by mid-morning the British informed us that the opposition seemed ready to agree to earlier elections, and that the debate was now over whether the elections would be held in August of 2009 or December of 2010.

15. (C) The opposition has reportedly negotiated some textual changes to MAS draft constitution, including the two-thirds requirement to modify the constitution as reported by the Brazilians, clearer autonomies, some corrections to "social issues" (presumably addressing the racial inequalities in the original draft constitution) and the maximum size of land holdings. The British are not sure if the pressure of the MAS siege and threat of an "outdoor congress" made opposition give in, but they do feel that the opposition likely knows that they are in weak position and must take what they can get. The British feel that the government does not have any plan for a breakdown in negotiations except using the protesters to force a vote. The British also tell us that they are concerned that the massive demonstration will not fit into the plaza outside of congress, and that protesters who spill out into the rest of the city may begin to do damage.

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Opposition Still Doubtful  
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16. (C) Despite hopes among diplomatic observers, our contacts in the opposition tell us that they are still not sure if there will be an agreement or not. Senator Roger Pinto (opposition party PODEMOS) who has been sequestered in the congressional buildings since Saturday, told us on October 20 that although they "were very close" to an agreement, he "honestly doesn't know" if compromise can be reached. He said that, to his surprise, both sides have made "serious compromises" and it is still possible to conclude a vote on legislation for a constitutional referendum, but that the opposition is waiting for a response from Development Minister Romero (who is heading negotiations on constitutional textual changes) on the issue of re-election. Pinto reports that enough concessions have been made on other contentious issues that the opposition is disposed to vote for the constitutional referendum if only the MAS will compromise on re-election so that President Evo Morales does not have a potential ten more years in office.

17. (C) Pinto said that the opposition has accepted that there will be a constitutional referendum in January (this is the MAS's main goal); the opposition's backup plan if no compromise can be reached is to hunker down for the siege and make the government pay a public relations price for surrounding the congress and forcing a vote. The opposition still fears that, despite government reassurances, the MAS may still convoke a "trick vote" in an alternate location (as they have done before to exclude the opposition.) Pinto

opined that trickery would look bad for the government, but not as bad as "thugs beating up members of congress."

¶8. (C) Other opposition contacts have told us that the artificial deadline imposed by the MAS (by having MAS-aligned social groups descend upon the congress) has made negotiations more difficult for the opposition and the MAS, since some MAS moderates have been working hard to find a true compromise with the opposition. There is a sense among some members of congress that the MAS, having called for this march, is now unable to fully control it.

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Comment  
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¶9. (C) So far the MAS-aligned social groups converging on the city center have been well-behaved, and no violence has been reported. The idea of an "outdoor congress" seems designed solely to put pressure on the opposition (who are not pleased by the idea of opposing the government while surrounded by tens of thousands of the government's potentially-armed supporters.) Because of the day-long strike in El Alto, fines for non-participation, and a requirement that public employees participate in the march, the number of protesters entering the city center is larger than expected. We will report further as needed. End comment.  
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